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MEDIA RELEASE

Apprentices and trainees vital to rebuilding Western Australia's economy

Western Australia's post-COVID economic recovery will depend upon a pipeline of new apprentices and trainees with the enthusiasm and skills capable of meeting the needs of a growing and evolving workforce, the Apprentice Employment Network WA (AEN WA) said today.

The network which represents the employers of some 2,000 apprentices and trainees has urged parties at the state election on March 13, to throw their support behind apprentices and trainees, in order to grow the state's skills base and assist school leavers, as well as mature age workers changing careers.

AEN WA has released its policy blueprint, [‘Restoring and Reinvigorating the Apprenticeship Sector’](#), with recommendations to help boost apprentice commencements and completions, and assist the group training sector which has been hit hard by the COVID-induced recession.

Group training organisations (GTOs) directly employ apprentices and trainees and place them with ‘host’ businesses. A distinctive feature of GTOs is that apprentices or trainees can be rotated to another host business if, for example, work dries up, or the need arises for more diverse or different training or workplace experience.

The AEN WA policy paper proposes:

- Increased funding for the Western Australian Group Training Program, recognising the unique work of GTOs with state government priority groups;
- Funding to support GTO employment of mature aged apprentices and trainees;
- Help to refine insolvency legislation so that GTOs are recognised as secured creditors.

AEN WA has welcomed initiatives that have been announced, to date, by the State Government and the Opposition and looks forward to working with all parties to secure a better deal for apprentices, trainees and the GTOs that employ them.

The Chair of AEN WA, Stuart Diepeveen, said the group training network in Western Australia felt the full brunt of recent economic decline, with hundreds of apprentices and trainees being handed back by host businesses.

“GTOs maintained apprentices and trainees, paid their wages and entitlements and have placed the vast majority back into work.

“The longer-term outlook will depend not only on normal levels of activity resuming, but on generating a pipeline of aspiring apprentices and trainees who are motivated to enter trade and non-trade occupations. This is important for the wellbeing of school leavers and others, and vital for the skills needs of the state,” Mr Diepeveen said.

“It is also very important that our political leaders champion apprenticeships and traineeships to parents, schools and students as attractive and rewarding career choices,” he said.

In addition, AEN WA is calling for increased funding and indexation of the Western Australian Group Training Program (WAGTP) which assists employment of Aboriginal people, at risk students, people with disabilities and school-based and remote area apprentices and trainees.

Since its establishment in 2015, funding has remained at approximately \$3 million a year while the cost of employing apprentices and trainees has increased year-on-year with inflation and annual increases in award wage rates.

The call for increased funding for mature age workers is designed to address one of the key features of the COVID recession – the number of older workers attracted to an apprenticeship as a result of being displaced from work, or those looking to learn new and more sustainable skills.

Unfortunately, adult apprentices face a significant hurdle, as they attract adult wages, posing an economic challenge for many employers, even though adult apprentices generally have a good attitude to work and learning, and broader skills and experience.

AEN WA is also seeking political support for a move to protect GTOs from the impact of bankruptcy or insolvency by host employers.

Where a host employer is declared bankrupt or insolvent, the money owing to a GTO – in effect, the recovery of wages already paid to apprentices – has no ranking other than as an unsecured creditor.

The majority of GTOs in the state are not-for-profit charities that operate on very thin margins.

While this is largely a Commonwealth issue, AEN WA calls on state elected representatives to lend urgent support for reforms that would see company insolvency and bankruptcy legislation amended to ensure that the component of the GTO invoice that represents recovery of wages is treated as a “secured creditor” and ranked equally with other such payments.

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The Apprentice Employment Network WA (AEN WA) is the peak association representing 18 member Group Training Organisations operating in Western Australia. It was incorporated in 1993 and is a not-for-profit registered charity. AEN WA members are located throughout metropolitan and regional Western Australia and deliver apprenticeships and traineeships within a wide range of industries.